

CHANGES TO THE EMPLOYMENT ACT THAT YOU SHOULD KNOW

FROM 1 APRIL 2019



BETTER PROTECTION FOR MORE EMPLOYEES



BEFORE Employment Act does not cover managers and executives (M&Es) earning above \$4,500/month.

AFTER Salary cap will be removed. M&Es earning above \$4,500/month will be entitled to core provisions of the Employment Act, such as:

- Minimum 7 – 14 days paid annual leave.
- Paid public holidays and sick leave.
- Timely payment of salary.
- Protection against wrongful dismissal.

430,000 more M&Es will be covered by law.



BEFORE

- Additional protection on hours of work, overtime pay and rest days for:
 - Workmen earning up to \$4,500/month.
 - Non-workmen earning up to \$2,500/month.
- Overtime rate payable for non-workmen capped at \$2,250/month.

AFTER

- Additional protection on hours of work, overtime pay and rest days for:
 - Workmen earning up to \$4,500/month.
 - Non-workmen earning up to \$2,600/month.
- Overtime rate payable for non-workmen capped at \$2,600/month.

100,000 more employees will benefit from the increase.



BEFORE Employers must recognise medical certificates issued by:

- Government doctors; and
- Company-approved doctors.

AFTER Employers must recognise medical certificates issued by any registered doctor and dentist.

ENHANCED DISPUTE RESOLUTION



BEFORE

- Wrongful dismissal claims are heard by the Minister for Manpower, whereas salary-related claims are heard at the Tripartite Alliance for Dispute Management/Employment Claims Tribunals.
- M&Es can seek help if they have served the employer for at least a year.

AFTER

- Wrongful dismissal claims and salary-related claims will be heard at the Tripartite Alliance for Dispute Management/Employment Claims Tribunals.
- M&Es can seek help if they have served the employer for at least 6 months.

GREATER BUSINESS FLEXIBILITY



BEFORE Employers can make salary deductions only for specific reasons under the Employment Act.

AFTER Employers can also make salary deductions if they:

- Obtain written consent from their employees; and
- Enable employees to withdraw their consent anytime, without penalty.



BEFORE

For work on public holidays, employers can offer time-off to M&Es earning up to \$4,500/month.

AFTER

For work on public holidays, employers can offer time-off to:

- All M&Es.
- Workmen earning above \$4,500/month.
- Non-workmen earning above \$2,600/month.